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Legislation will return unused or reclaimed stimulus broadband funds to U.S. Treasury

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WASHINGTON – Legislation introduced by Congressman Charles F. Bass (NH-02) to protect taxpayer money and return unused or reclaimed stimulus funds passed the House of Representatives unanimously this afternoon.

Bass' legislation, H.R. 1343, would terminate and rescind American Recovery and Reinvestment Act (ARRA) funding for broadband projects that have been found to be wasteful, fraudulent, or insufficient. The rescinded funds would be returned to the U.S. Treasury. The inspectors general for the National Telecommunications and Information Administration (NTIA) and the Rural Utilities Service (RUS) have said that ARRA language does not make clear whether and when the agencies must deobligate funds for troubled projects. Bass' bill removes that ambiguity.

Bass said:

"Broadband is the gateway to the Internet's engine of growth, and expanded access to this technology yields both economic investments and job creation. But as is the case with federal spending on any initiative like increasing broadband access, strong oversight is necessary to ensure taxpayer dollars are spent wisely.

"It only makes sense that Congress requires an accounting of how stimulus funds are being spent and what the American taxpayer is getting for them. My legislation will make sure there is a clear mechanism for taxpayers to get their hard-earned dollars back from broadband projects funded with stimulus dollars that are deemed fraudulent or duplicative."

Senator Kelly Ayotte (R-NH) recently introduced companion legislation to H.R. 1343 in the U.S. Senate, where the measure awaits further action.

Bass continued, "This is a taxpayer protection measure, plain and simple, and I want to thank Senator Ayotte for working with me on this issue and ensuring the legislation receives the attention it merits in the Senate."

ARRA appropriated \$7.2 billion to be distributed in grants through NTIA and the RUS in a very short time. Nearly \$7 billion was awarded to 553 recipients ranging from non-profits and local county governments to for-profit businesses. So far, 29 awards for grants and loans worth \$199 million have been returned to the Treasury. Many recipients have returned the awards because they recognized they will not be successful. Bass' legislation will ensure that the law is definitive and quick to reclaim funds if there is reason to terminate an award for reasons of waste, fraud or insufficient performance.

[Click here for video](#) of Bass' speech on the House floor in support of his legislation.

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